

Enterprises (DPE) however, do not have any information as to whether the association is a recognised body. However, for all important matters concerning all the public sector enterprises which have national consequences, the DPE has discussions with the representatives of the above mentioned Association on request of the Association.

Review of cost of wheat and rice by Expenditure Reforms Commission

**t*276. SHRI RAJ MOHINDER SINGH:
SHRI KAPIL SIBAL:**

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) whether the economic cost of wheat and rice calculated by Food Corporation of India was reviewed by the Expenditure Reforms Commission;
- (b) if so, the reasons therefor;
- (c) whether the Commission has found a big difference in their earlier estimated economic costs;
- (d) if so, the details thereof; and
- (e) the reasons for the said differences?

THE MINISTER OF CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (SHRI SHANTA KUMAR): (a) to (e) The Expenditure Reforms Commission reviewed the methodology of allocation of distribution cost between stocks maintained by the Food Corporation of India for distribution through Public Distribution System and buffer stocks. The Commission has made three important changes in the methodology:

(i) At present, only, the annual accretion to the buffer stocks is reckoned for allocation of transportation cost. However, considering that it would be necessary for Government to rotate the stocks held as buffer stocks over a two to three year period in the interest of maintaining quality, the Commission has

[†]Original notice of the question was received in Hindi.

recommended that transport cost and transit losses to the extent of one-third of the opening stocks of buffer be charged to the buffer carrying cost.

(ii) The Commission has felt that carry-over charges, namely charges paid to the State agencies involved in the procurement of wheat beyond 30th June every year, should be part of the buffer carrying cost rather than economic cost of wheat for public distribution.

(iii) The Commission has also recommended that the economic cost should be estimated on the basis of pooling of opening stocks available with the Food Corporation of India in the begining of the year and stocks procured during the current year, rather than being based on the minimum support price of the current year.

On account of these changes in the methodology, which have been accepted by Government, the economic cost of wheat and rice for public distribution have been revised to Rs. 830 per quintal for wheat instead of Rs. 900 per quintal as before and to Rs. 1,130 per quintal for rice instead of Rs. 1,180 per quintal as originally estimated.

Pressure on India and Pakistan to sign CTBT and NPT

†*277. SHRI KHAN GHUFRAN ZAHIDI: Will the Minister of EXTERNAL AFFAIRS be pleased to state:

- (a) whether India and Pakistan are being pressurised by Russia to sign CTBT and NPT; and
- (b) if so, Government's reaction in this regard?

THE MINISTER OF EXTERNAL AFFAIRS (SHRI JASWANT SINGH): (a) No, Sir, India is not being pressurised. The Ministry of External Affairs, however, cannot answer for Pakistan.

- (b) Does not arise.

[†]Original notice of the question was received in Hindi.